



Federal Reserve  
Bank of Dallas

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# Your Texas Economy

Current through: Friday, March 8, 2024

# Texas Economy



Texas produces 9.4 percent of U.S. GDP, second only to California



Texas has a large and diverse workforce made up of 15.1 million workers



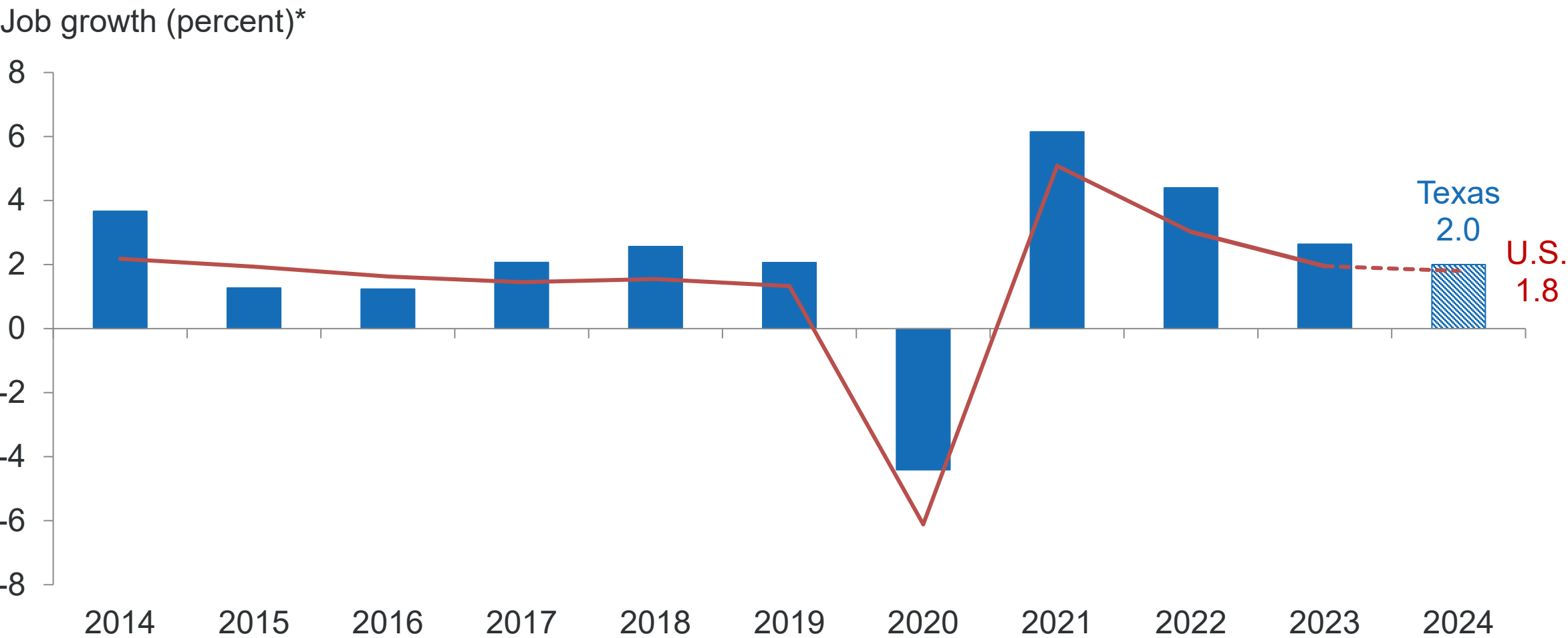
Texas is younger and growing faster than the nation



# Overview of Texas Economy

- Texas employment grew 2.0 percent in January, while December growth was revised up to 2.4 percent.
- U.S. job growth in January (1.8 percent) was less than Texas.
- Texas' 2.6 percent job growth in 2023 outpaced the nation's 2.0 percent.
- January Texas Business Outlook Surveys (TBOS) indicate increase activity in both manufacturing and services.

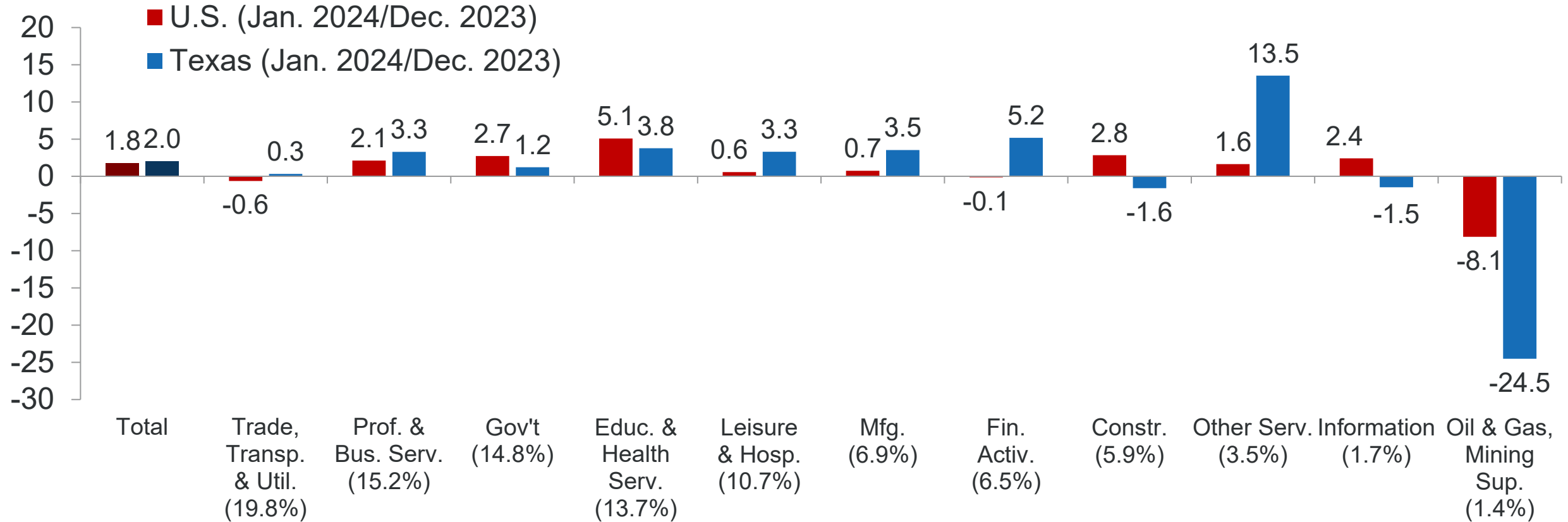
# Texas' Job Growth Exceeds the Nation at the Start of 2024



\*Seasonally adjusted, annualized rate.  
NOTE: Last data points are annualized job growth for Jan. 2024/Dec. 2023.  
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by FRB Dallas.  
DATA: <https://www.dallasfed.org/research/econdata/tae000000.aspx>

# Texas Job Growth Slowed in January; Significant Gains seen in Other Services, Significant Declines in Oil & Gas

Job growth (percent)\*



\*Seasonally adjusted, annualized rate.

NOTE: Numbers in parentheses indicate share of total state employment for most recent monthly data.

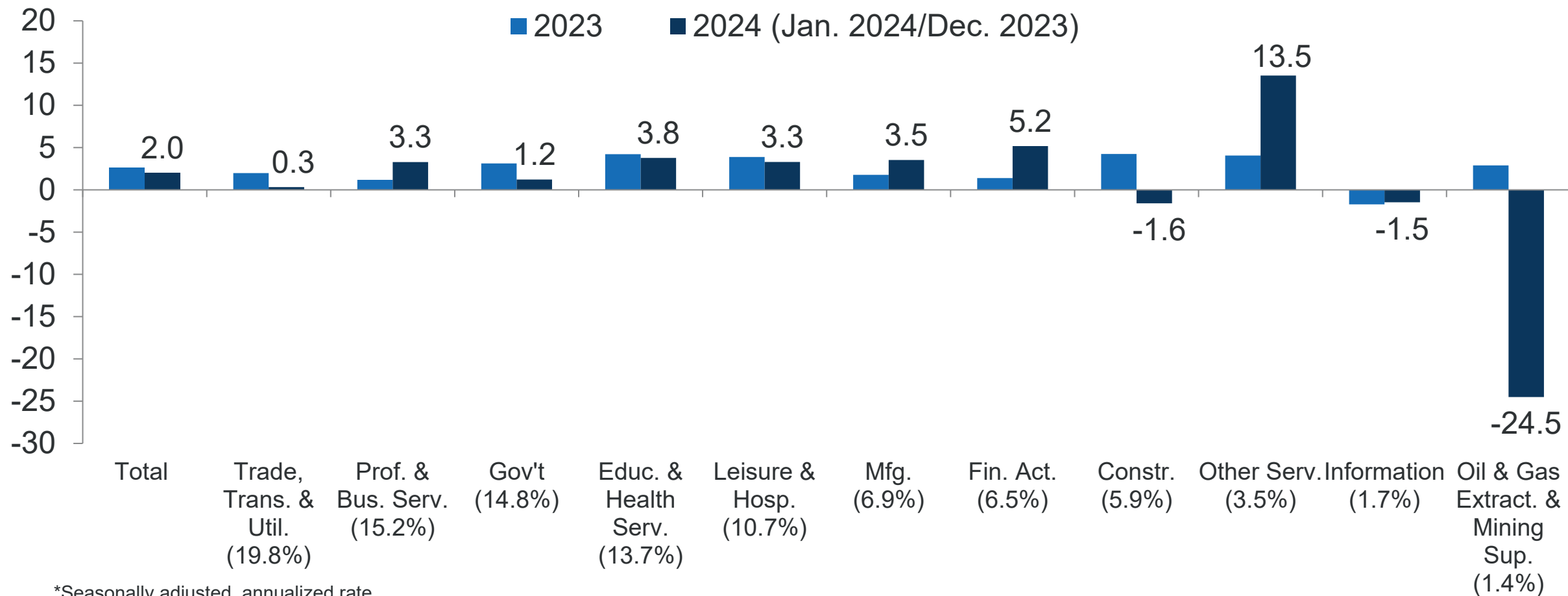
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by FRB Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>



# Job Growth Led by Other Services

Job growth (percent), Dec./Dec.\*



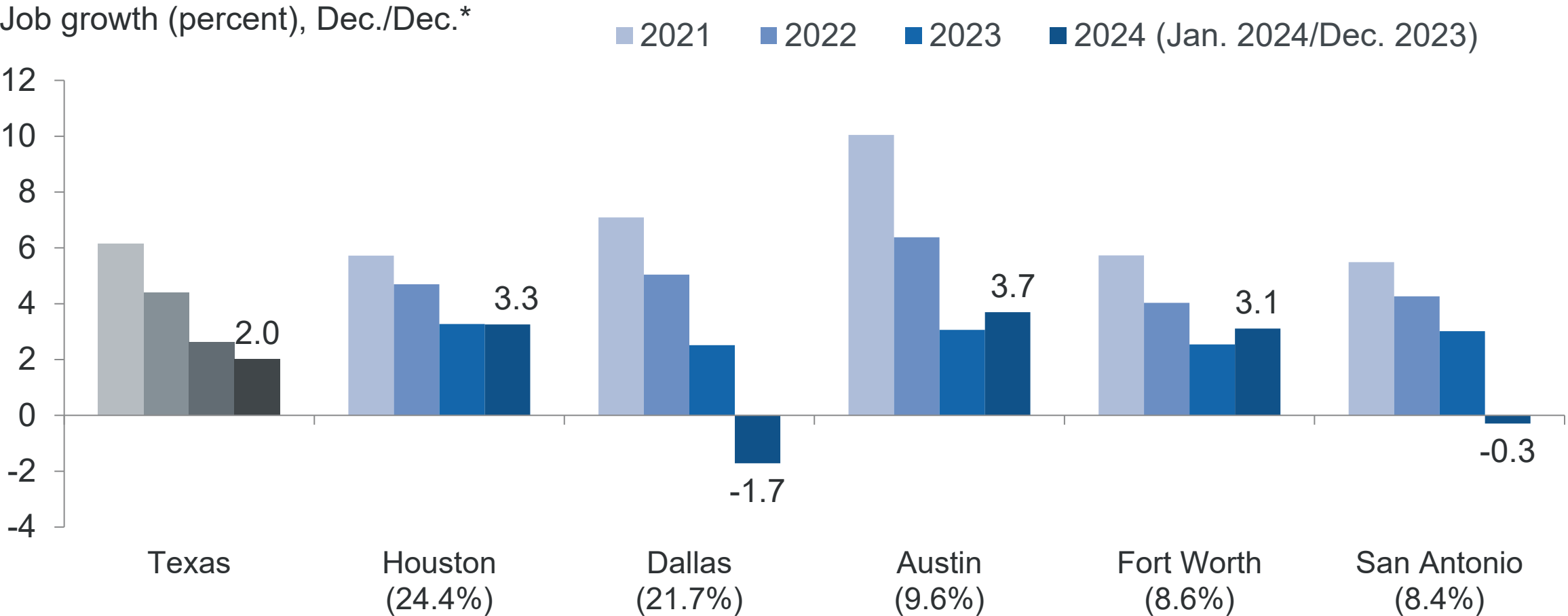
\*Seasonally adjusted, annualized rate.

NOTE: Numbers in parenthesis indicate share of total state employment for most recent monthly data.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by FRB Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>

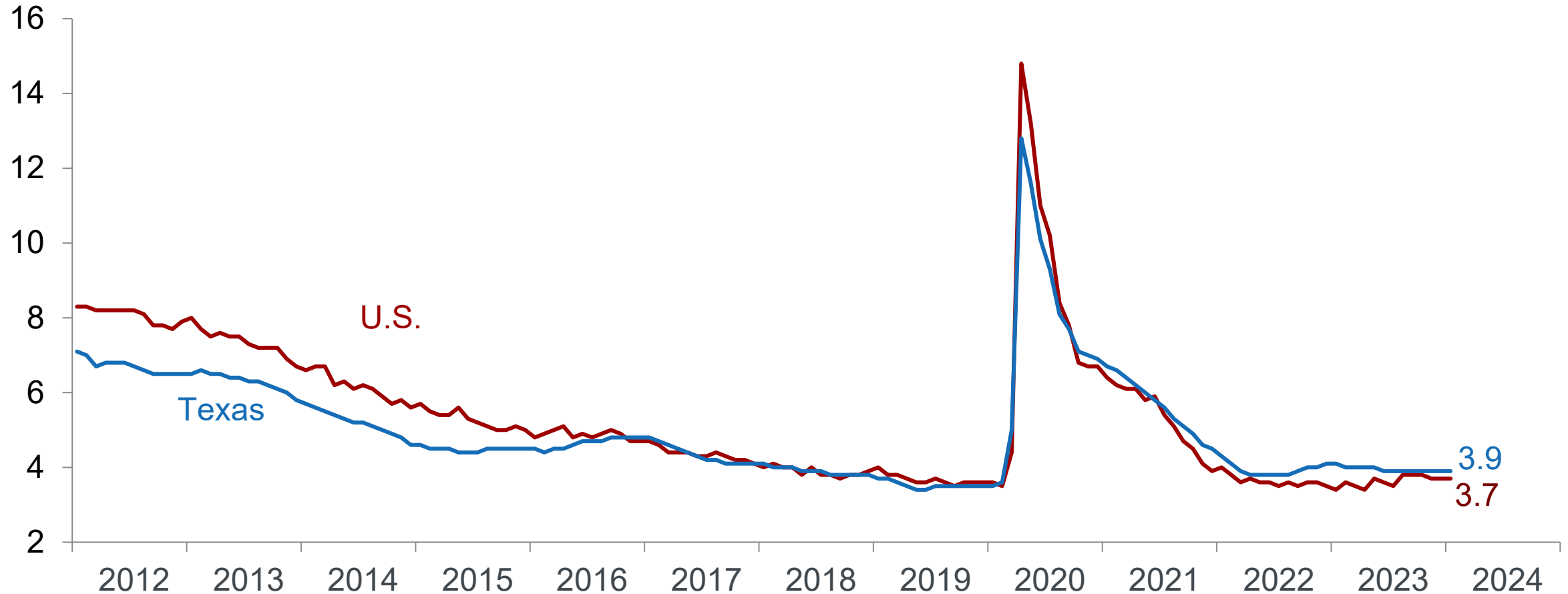
# Austin leads Large Metros in 2024 Job Growth, Declines in Dallas and San Antonio



\*Seasonally adjusted, annualized rate.  
NOTE: Numbers in parenthesis indicate share of state employment for January 2024.  
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by FRB Dallas.  
DATA: <https://www.dallasfed.org/research/econdata/tx-emp.aspx#tab3>

# Texas Unemployment Rate Flat in January

Unemployment rate (percent)\*



\*Seasonally adjusted.

NOTE: Data are through January 2024.

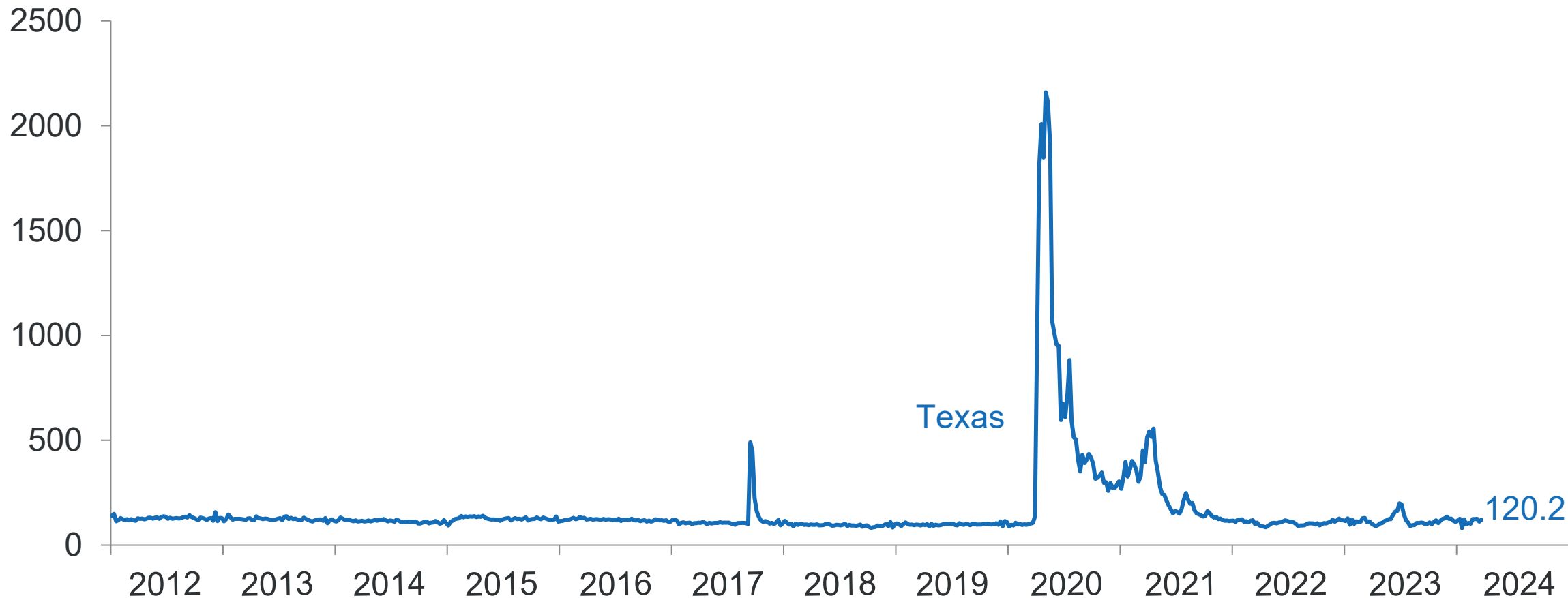
SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; FRB Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>



# Texas Initial Unemployment Claims Remain Subdued

Weekly claims, indexed Jan. 2020 = 100



\*Seasonally adjusted.

NOTE: Data through the week ending March 2nd, 2024.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; FRB Dallas.

DATA: <https://www.dallasfed.org/research/econdata/tx-emp-ind.aspx>

# ENERGY

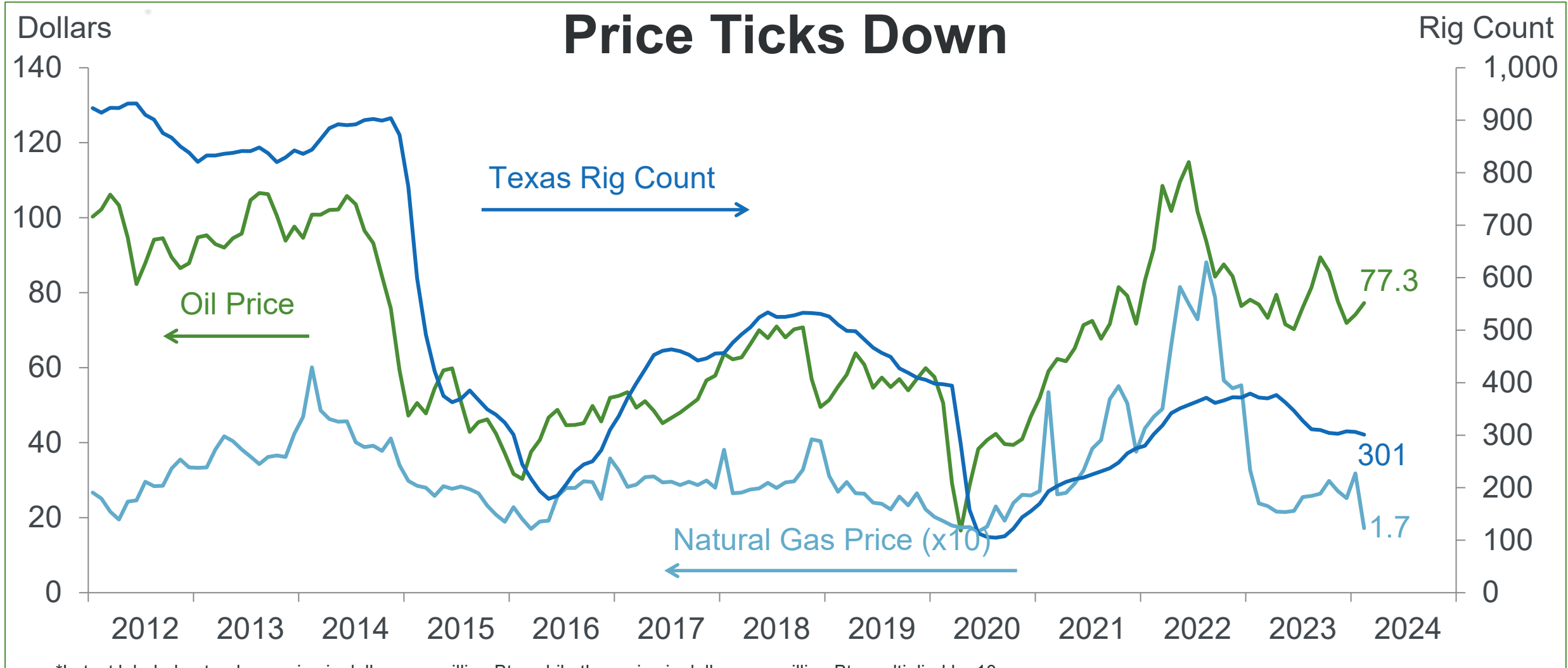
The background of the slide features a silhouette of an oil pumpjack against a sunset sky. The sky is a mix of orange, yellow, and blue, with some clouds visible. The pumpjack is a large, dark structure with a long arm and a bucket at the end, positioned in the center-left of the frame.

Texas is #1 producer of oil and natural gas in nation

Approximately 30% of U.S. refinery capacity and 75% of U.S. petrochemical production is in Texas

Low energy prices hurt Texas economy on net

# Rig Count Stabilizes, Oil Price Increases and Natural Gas Price Ticks Down



\*Latest labeled natural gas price is dollars per million Btu, while the series is dollars per million Btu multiplied by 10.

NOTES: Oil price is dollars per barrel. Data through February 2023.

SOURCES: *Wall Street Journal*; Baker Hughes; U.S. Energy Information Administration.

# MANUFACTURING

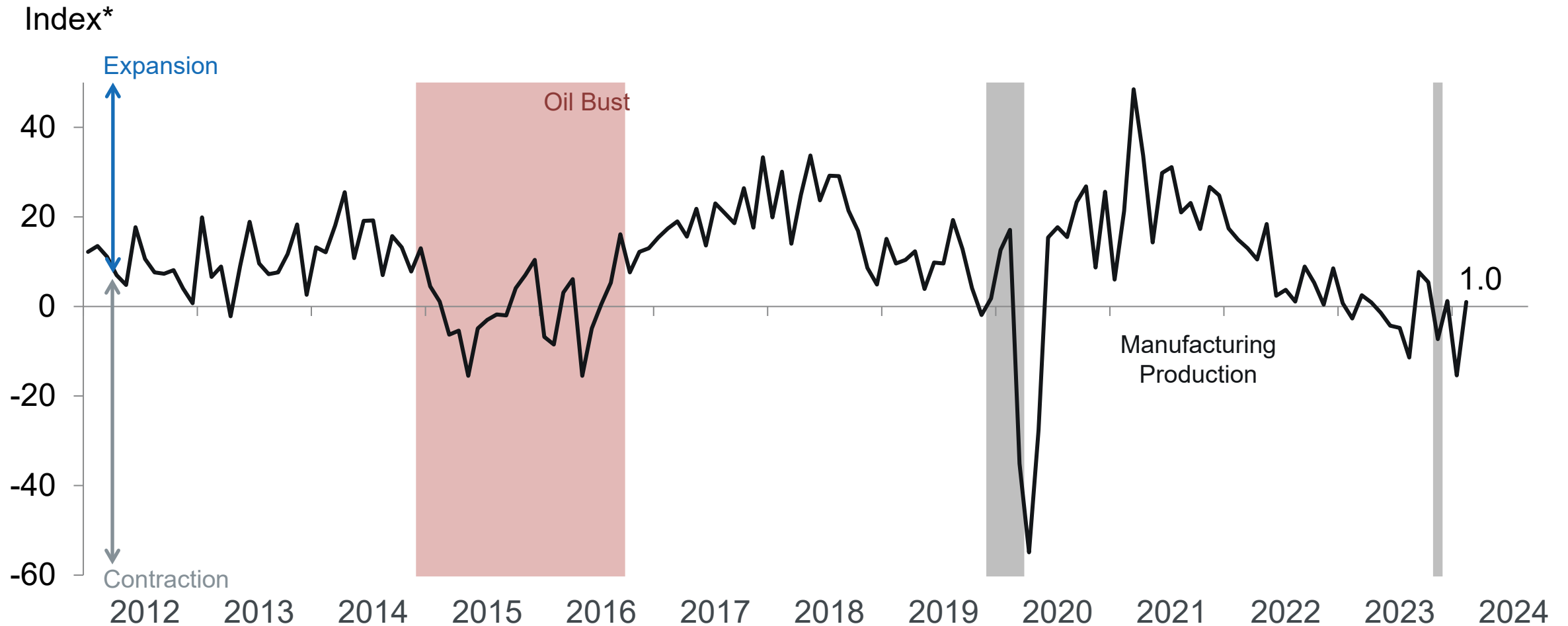


Texas produces 10% of U.S. manufactured goods

Manufacturing sector leading indicator of business cycle

Dallas Fed's Texas Manufacturing Outlook Survey offers early look at turning points and insight on trends

# Texas Manufacturing Production Expands



\*Seasonally adjusted.

NOTE: Data through February 2024. Grey bar represents recession.

SOURCE: Federal Reserve Bank of Dallas Texas Manufacturing Outlook Survey (TMOS).

DATA: <https://www.dallasfed.org/research/surveys/tmos>



# EXPORTS

A background image showing a white semi-truck on a road. The truck is positioned in the upper half of the frame, with its trailer extending towards the right. The road is paved and has white lane markings. The background is a clear blue sky.

Texas is the top exporting state and accounts for 22% of U.S. exports

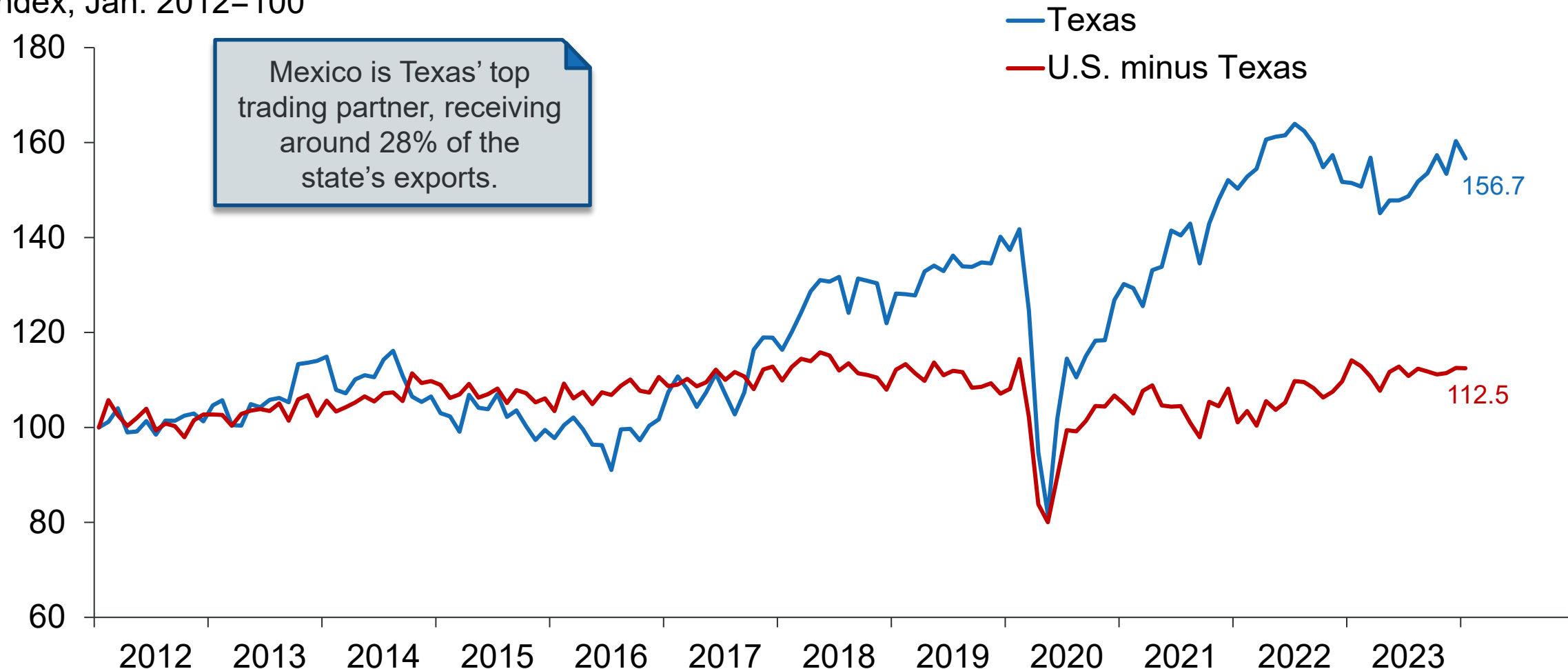
Gulf coast ports are major exporters of oil and gas, oil products and petrochemicals

Texas-Mexico border ports also process over half of state exports



# Texas Export Levels Declined in January

Index, Jan. 2012=100\*



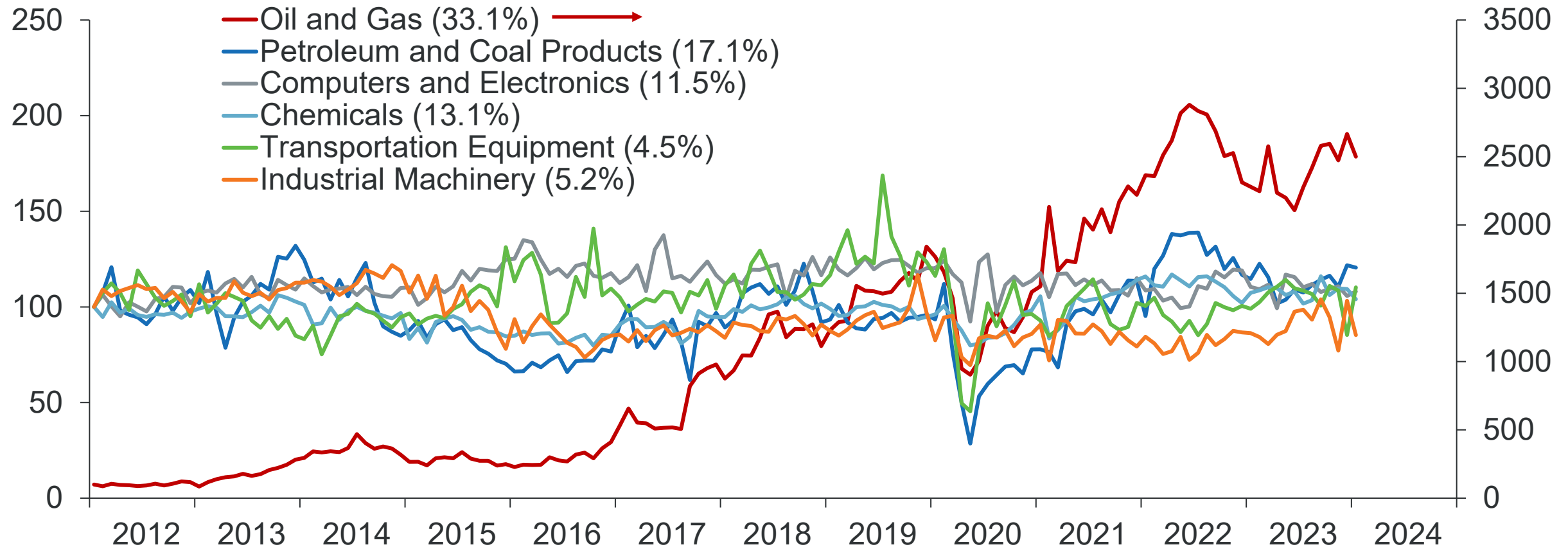
NOTES: Seasonally adjusted, real dollars. Data through January 2024.

SOURCES: U.S. Census Bureau; Bureau of Labor Statistics; seasonal and other adjustments by FRB Dallas.

# Texas Exports Are Led by Oil and Gas, and Petroleum and Coal Products

Index, Jan. 2012 = 100

Index, Jan. 2012 = 100



\*Seasonally adjusted, real dollars.

NOTE: Data through January 2024. Share of 2022 Texas exports in parentheses.

SOURCES: U.S. Census Bureau; Bureau of Labor Statistics; seasonal and other adjustments by FRB Dallas.

# SERVICES

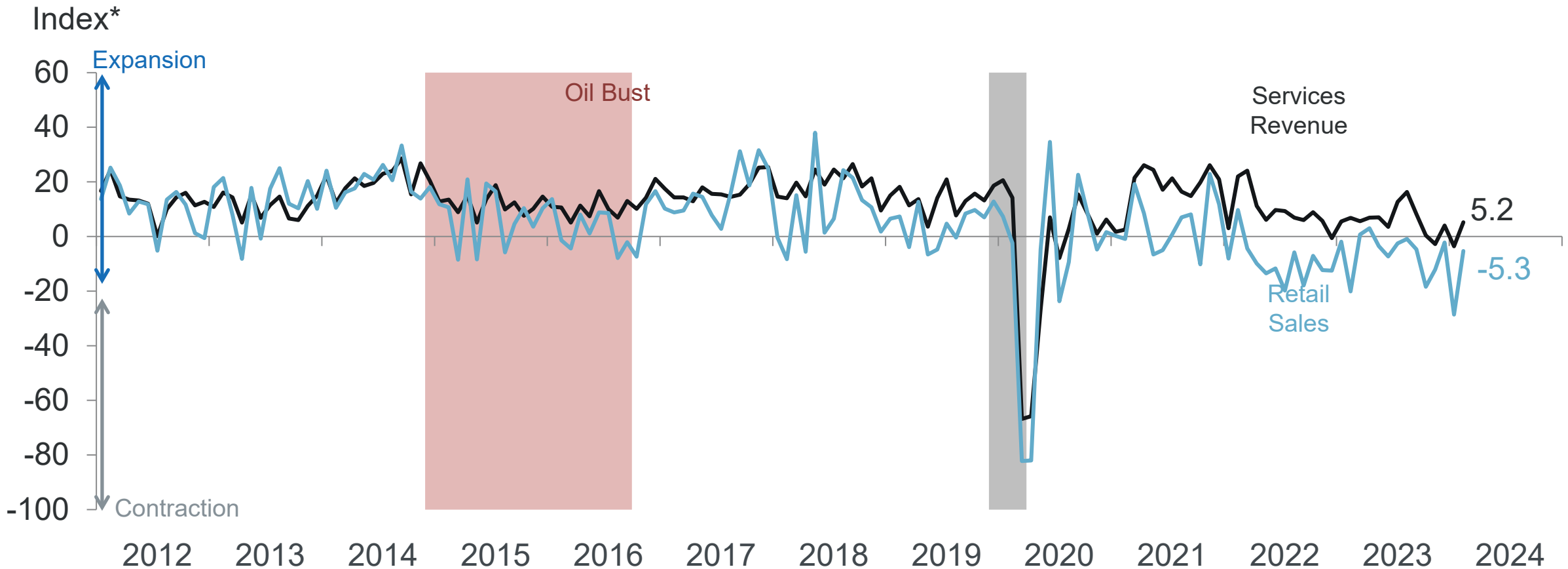
The background of the slide is a blurred photograph of a person's hands and arms working at a desk. On the left, a white coffee cup is visible. In the center, a person's hands are seen typing on a laptop keyboard. The overall scene suggests a professional office environment.

Service industry makes up the bulk of the Texas economy

Accounts for 73% of private-sector output in Texas

Dallas Fed's Texas Service Sector Outlook Survey provides timely insight into this key sector

# Texas Service Sector Revenue Growth Expands while Retail Sales Revenue Contract



\*Seasonally adjusted.

NOTES: Data through February 2024. The TROS is a component of TSSOS using information only from retail and wholesale trade sectors. Grey bar represents Texas recession.

SOURCES: Federal Reserve Bank of Dallas Texas Service Sector Outlook Survey (TSSOS) and Texas Retail Outlook Survey (TROS).

DATA: <https://www.dallasfed.org/research/surveys/tssos>

# HOUSING

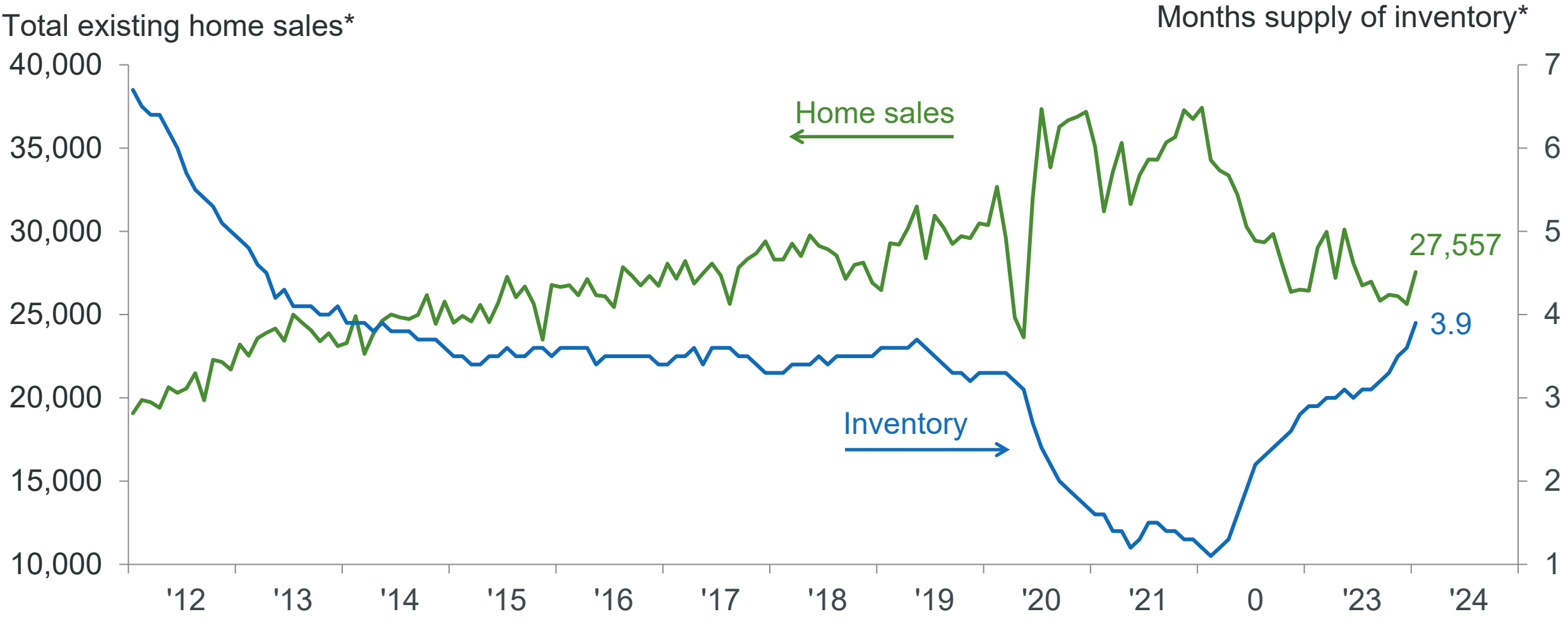
Recent housing market strength fueled by economic growth and high net migration to the state

Net migration to Texas was almost 350 thousand people from 2021 to 2022\*

Texas house prices have stabilized after falling due to rising mortgage rates

\*From July 2021 to July 2022

# Home Sales and Inventories Increase

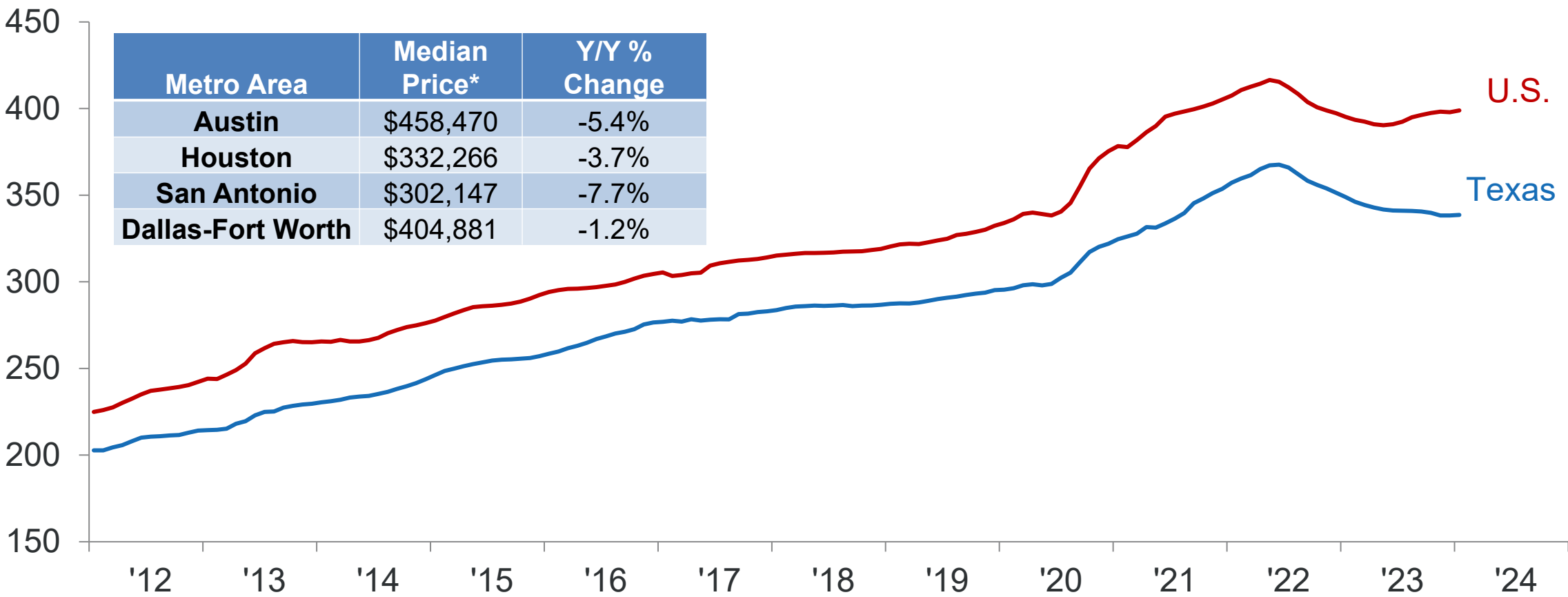


\*Seasonally adjusted.  
NOTE: Data through January 2024.  
SOURCES: Multiple Listing Service; seasonal and other adjustments by FRB Dallas.



# Texas Median Home Prices Stabilize After Declining From Record Highs

Dollars (thousands), four-month moving average



\*Seasonally adjusted, real dollars.  
NOTE: Data are seasonally adjusted and through December 2023 for Houston and January 2024 for the rest.  
SOURCES: Multiple Listing Service; seasonal and other adjustments by FRB Dallas.

# 2024 Texas Economic Outlook

- Texas employment growth slowed to 2.0 percent at the start of 2024, down from 2.6 percent growth in 2023.
- In 2024, the Dallas Fed expects jobs to increase 2.2 percent.
- For more information, see the February Texas Employment Forecast at <https://www.dallasfed.org/research/forecast/2024/emp240209> -



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**[www.dallasfed.org/research/texas](http://www.dallasfed.org/research/texas)**